

**Town of Lincoln**

**Budget Board Meeting**

**April 1, 2010**

**Present:**

**Claudette Lussier Carl Brunetti Hagop Jawharjian Jay O'Grady Greg Leonard**

**Sheila Chisholm Linda Noble Cheryl Ethier Joe Renning**

**Absent:**

**Bob Ericson**

**Call To Order**

**The meeting began at 7:35 with the Pledge of Allegiance.**

**Carl Brunetti made a motion, seconded by Greg Leonard, to change the order of the agenda so that discussion of the Town Administrator's 2010-2011 budget came before the Approval Minutes, Correspondence, and Public Comment.**

**The Town Administrator, Joe Almond, and Finance Director, John Ward were present to discuss their recommendations and changes to their original recommendations.**

**Police Details had always been shown in net, but the Auditors asked for gross this year. John Ward noted that this should be set up as a**

separate fund and have it's own revenues, expenses, and build it's own surplus for things such as cars. He noted that he did refer to a handbook and if the Town uses the proper citations, they should be able to have this as a separate account and not be brought up in next year's management letter. They did adjust for FICA as well, and it was noted that a good portion of the Police Details in town come from Twin River but bankruptcy has not affected their collectability. In fact, because of the move to 24/7 gambling there, they have been using more officers and have even provided a remote office for them there.

The Town Administrator noted that Rescue Receipts were changed to be more consistent with historical figures, which have increased due to more insurable runs and not necessarily more aggressive collection.

Fairlawn Rental came in at \$115,000 because \$125,000 was an estimate of what they thought they could get which ended up including a \$10,000 deposit for any damage that was not covered by insurance. The Town will pay for insurance, but the leasees will pay for utilities. It is estimated that the building is 38,000 square feet, and the land that it is on is deed restricted to be only a school. The leasees will be responsible for snow and trash removal, and are talking with the Town about paying them to offer those services.

The Health Care Cost Adjustment was due to the fact that the Town's consultant and Blue Cross Representative have said the increase will

**be closer to 9% and not 8% as originally thought. The schools' increases are typically similar, but may also be higher because of some claims last year.**

**Barney Pond Engineering will be put into resolution coming out of a restricted fund and will still be completed.**

**In reference to the Library Pension, it was noted that pool of pension costs is shared with the town and that the bottom line would not be affected by the recommendation.**

**It was noted that according to charter, the budget at the Financial Town Meeting should include information from the Sewer Enterprise Fund, Water Department, Surplus, and Municipal Bonds. Also, The Finance Director will submit the Police Detail because it will be a proprietary fund.**

**In discussion of Medicaid Revenues, the Town Administrator and Finance Director noted that they believe based on historical information that \$850,000 is a good recommendation. Also, it was noted that \$890,000 in accumulated surplus shows that they have underestimated this figure in the past.**

**Facility rentals have not been stated in the past will be part of the new chart of accounts.**

**School Capital was discussed and the fact that anything over the \$500,000 allotted should come out of surplus capital reserve.**

**John Ward noted that he believed it was important for all revenue sources to be declared and acknowledged in the budget so that when people vote at the Financial Town Meeting they know exactly what is needed and what is coming in.**

**The Budget Board and Town Administrator discussed retention ponds and it was noted that the Town does not own them and is not liable for them but do maintain them because they become an issue if not maintained and it was noted that the Public Works Department has corrected 4 drainage issues this year alone.**

**The Administrator intends to submit resolutions at the Financial Town Meeting for:**

**Barney's Pond Dam Engineering \$100,000**

**Lime Acres \$125,000**

**Fairlawn Leasing \$115,000**

**The Town Administrator noted that In School Resolutions, after the items that are required are completed, the leftover money should go back into a restricted capital reserve account.**

**The Town Administrator noted that he believes Lincoln's Kindergarten places in Charter Schools will be full and perhaps the**

**5th grade spots will be 50% full. He also noted that he did not feel the charter schools were adequately funded prior to this year.**

**The Budget Board and Town Administrator discussed the Motor Vehicle Tax Phaseout and the possibility of several scenarios, including one in which the State may make all the Cities and Towns have the same rate.**

**John Ward noted that the Water Commission is only supposed to spend what is collected in water bills, and anything more must go before the Financial Town Meeting.**

**Linda Noble will send a message to the Water Commission requesting their information to include in the budget packet for the Financial Town Meeting.**

## **Minutes**

**The minutes of March 25th were distributed for review. Claudette Lussier made a motion, seconded by Greg Leonard to approve the minutes. The minutes were approved by a vote of 8-0 with Greg Leonard abstaining because he was not present on March 25th.**

## **Old Business**

### **TOWN ADMINISTRATOR'S RECOMMENDED 2010-2011 BUDGET**

**The Budget Board discussed Municipal Revenues.**

**The Town Administrator now recommends \$850,000 for Medicaid Reimbursements, which the Budget Board discussed and they decided to recommend the same because the schools can always determine with documentation that the figure is too high in order to adjust it. The Budget Board also noted that they would like to address in the budget message Local Appropriation versus other revenue sources for the benefit of the taxpayers.**

**Also, the Budget Board agrees with the Town Administrator in taking out Police Details in order to make it a proprietary fund.**

**After discussion of revenues, the Budget Board determined Total Local Revenue to be \$2,282,350. This makes Total Municipal Revenues \$70,239,184.**

**The Budget Board had a question regarding a discrepancy between the original figure and information provided later on for Tax Collections.**

**The Budget Board discussed the Administrator's recommendation for Other Revenues for the schools and decided to not show them in the budget because the upcoming new chart of accounts will show it properly.**

**The total recommendation for Capital Improvements is \$1,100,680.**

**Greg Leonard made a motion, seconded by Carl Brunetti, that the**

**Total Municipal Operating Budget be \$17,143,602. The motion passed by unanimous vote.**

**The governor's recommended state aid figure is \$5,975,074.**

## **2010-2011 RECOMMENDED SCHOOL BUDGET**

**The Schools' Maintenance of Effort is officially \$40,197,132 because the RI Department of Education will not allow a decrease for the closure of Fairlawn.**

### **Other**

**The Budget Board discussed how they believed that having a tax decrease would be inappropriate based upon communities as a whole and the status of the town's infrastructure.**

### **Public Comment**

**There was none at the time.**

### **Adjourn**

**Hagop Jawharjian made a motion, seconded by Sheila Chisholm, to adjourn the meeting.**

**The meeting adjourned at 10:15 pm.**